

State Has New Business Travel Credit Card Contract

The State of Utah has negotiated a new contract with JP Morgan Chase to provide a business travel credit card program. The State issues individual business travel credit cards to employees who travel at least three times per year and request a card. The employee may use the card to pay for official travel expenses (except airfares). The State also establishes Central Travel Accounts (CTA) with Chase, which are used for all official airfares.

Since JP Morgan Chase is the current provider, it will **not** be necessary to issue new cards and account numbers.

State Contracts Rare

The State is fortunate to obtain this contract. In the world of credit card programs, states are not highly valued clients because of the relatively high number of cards issued, the low amount charged to each card, and the slowness of payment on the part of some employees. An annual fee of \$20 to \$25 is common in the industry.



Contract Changes

Most of the conditions of the current contract are included in the new contract with the following exceptions:

- ★ **JP Morgan Chase will assess the employee a \$10 late fee on any balance outstanding 30 days after the statement date, and a 2.5% late fee at 60 days after the statement date and every 30 days thereafter.**

Employees continue to be responsible for paying the balance due and any fees assessed on their accounts each month. The state will not pay any late fees assessed on an employee's account. Employees should submit travel reimbursements as soon as possible after completing travel.

- ★ **JP Morgan Chase will assess the State an annual fee of \$6 per individual card and CTA account.**

This fee will be charged on accounts with a status of either *active card* or *not activated* as of July 1, 2003. Prior to that date a list of cards in this status will be distributed to agencies for consideration.

As in the past, the Division of Finance will make the payment to JP Morgan Chase for the annual fees and will create a PV3 for each account so agencies can distribute the costs. We anticipate making the payment during the second week in July.

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Cardholder Benefits

Benefits offered to cardholders through the program include:

- ✓ **\$500,000 Common Carrier Insurance**
This is available if the fare is charged to a CTA account (as required by state policy).
- ✓ **\$1,250 Lost or Stolen Luggage Insurance**
This is secondary insurance on checked luggage if the fare is charged to a CTA account (as required by state policy).
- ✓ **\$1,000 Hotel/Motel Theft Insurance**
Hotel/Motel must be booked with a JP Morgan Chase card. Insurance covers personal property stolen from cardholder's room by forceful entry.

If you travel more than three times per year and would like a card, contact your agency card program administrator. If you have a card and do not use it, please have it canceled. If you have any questions, please call Nanette Moyar at 801-538-3020 or Carol Young at 801-538-3100. ➔

Travel Briefs

Avoid Change Fees

Travel planners should confirm the date, time, and destination for both departing and return flights **before** giving the agent an authorization number. With non-refundable fares, once the agent has the authorization number and issues the ticket, the agency will pay a change fee and an additional service fee to cancel and reissue the ticket. The State will reimburse only one change fee per trip.



When Is a Non-Refundable Ticket Issued?

A **non-refundable** ticket is **issued** when the travel planner gives the agent a travel authorization number and requests a ticket be issued. If the planner requests a **reservation**, she has until the end of that business day to give the agent the travel authorization number and request a ticket be **issued**. For example, if the planner requests a **reservation** at 3:00 p.m., the planner has until 5:00 p.m. that same day to ask the agent to **issue** the ticket. If the non-refundable ticket is not issued by 5:00 you may lose the fare.



Airlines Need Home Phone Number to Contact You

When you book an airline reservation, our agents will ask for the traveler's home or mobile phone number. We supply this contact number to the airline so they may notify the traveler if a flight is delayed or canceled. Due to reduced bookings, airlines are making frequent schedule changes.



If a traveler declines to provide a personal phone number, we will note this in the profile. The traveler will then be responsible for checking the airline's Web site or calling the airline to see if the flight has been delayed or canceled. This is especially important for early morning and late evening flights. ➔